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IN THE  
COURT OF APPEAL  
OF THE STATE OF CALIFORNIA  
SECOND APPELLATE DISTRICT  
DIVISION THREE

Civ. No. B. 025920  
(Super. Ct. No. C420153)

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CHURCH OF SCIENTOLOGY OF CALIFORNIA,  
Plaintiff-Appellant,  
and  
MARY SUE HUBBARD,  
Intervenor-Plaintiff-Appellant,  
-against-  
GERALD ARMSTRONG,  
Defendant-Respondent.

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ON APPEAL FROM SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
JUDGE PAUL G. BRECKENRIDGE, JR.

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APPELLANTS' SUPPLEMENTAL APPENDIX IN LIEU OF  
CLERK'S TRANSCRIPT

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**Counsel for Appellants**

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**Counsel for Appellant  
Mary Sue Hubbard**



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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES

GERALD ARMSTRONG,  
Cross-Complainant,  
v.  
CHURCH OF SCIENTOLOGY OF  
CALIFORNIA, a California  
Corporation,  
Cross-Defendant.

No. C 420 153  
(Severed Action)

ORDER DISMISSING ACTION  
WITH PREJUDICE

ORIGINAL FILED  
DEC 11 1986  
COUNTY CLERK

Upon consideration of the parties' stipulation for  
Dismissal, the "Mutual release of All Claims and Settlement  
Agreement" and the entire record herein, it is

ORDERED AND ADJUDGED:

1. That this action is dismissed with prejudice.
2. That an executed duplicate original of the  
parties' "Mutual Release of All Claims and Settlement Agreement"  
filed herein under seal shall be retained by the Clerk of this  
Court under seal.

Dated: December 11, 1986

Paul G. Breckenridge, Jr.  
Hon. Paul G. Breckenridge

1 JOHN G. PETERSON  
2 PETERSON AND BRYNAN  
3 8530 Wilshire Boulevard, Suite 407  
4 Beverly Hills, California 90211  
5 (213) 659-9965

6 Attorneys for Plaintiff and Cross-Defendant  
7 CHURCH OF SCIENTOLOGY OF CALIFORNIA

ORIGINAL FILED  
DEC 11 1986  
COUNTY CLERK

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF LOS ANGELES

10 CHURCH OF SCIENTOLOGY OF )  
11 CALIFORNIA, a California )  
12 Corporation, )  
13 Plaintiff, )  
14 v. )  
15 GERALD ARMSTRONG, et al., )  
16 Defendants. )  
17 \_\_\_\_\_ )  
18 AND RELATED CROSS-ACTION. )

Case No. C 420153  
ORDER FOR RETURN OF  
EXHIBITS AND SEALED  
DOCUMENTS

18 The Court having read and considered a stipulation for  
19 return of sealed materials and exhibits between the parties and  
20 their counsel;

21 IT IS ORDERED:

- 22 1. All documents, originals and copies, and other items  
23 surrendered to the Court by Armstrong and his attorneys pursuant  
24 to Judge Cole's orders of August 24, 1982 and September 4, 1982  
25 and all documents and other items taken by Armstrong from  
26 either the Church of Scientology or Omar Garrison shall be  
27 released from the Superior Court and returned forthwith to  
28



1 the Church of Scientology of California or its attorney of  
2 record.

3 2. All documents and items entered into evidence or  
4 marked for identification in Church of Scientology of  
5 California v. Gerald Armstrong, Case No. C 420 153 shall be  
6 released from the Superior Court and returned forthwith to the  
7 Church of Scientology of California or its attorney of record.

8 3. All documents or items marked for identification or  
9 entered into evidence and lodged with the Court of Appeal shall  
10 be released and returned to the Church of Scientology of  
11 California or its attorney of record forthwith upon their  
12 return to the Superior Court from the Court of Appeal.

13 4. Notwithstanding the foregoing, the following exhibits  
14 shall be exempted from the terms of this order pending a final  
15 appellate decision in the litigation entitled United States  
16 v. Zolin, Ninth Circuit Court of Appeals Nos. 85-6065,  
17 85-6105: 500-CCCCC; 500-KKKKK; 500-LLLLL; 500-OOOOO;  
18 500-PPPPP; and 500-OOOOOO. In the event that the Zolin  
19 litigation terminates with a judicial determination that the  
20 United States of America is not entitled to obtain any of these  
21 listed exhibits, then any such exhibits shall be returned  
22 forthwith by the Clerk of this Court to the Church of  
23 Scientology of California or its attorneys of record. In the  
24 event that the government is found to be entitled to any of the  
25 listed exhibits upon the conclusion of the Zolin litigation,  
26 the Clerk of this Court shall provide the government with a  
27 copy of such exhibit or exhibits and then immediately return  
28 all remaining copies of the corresponding exhibits to the

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Church of Scientology of California or its attorneys of record.

DATED DEC 11 1988

PAUL G. BRECKENRIDGE, JUDGE  
PAUL G. BRECKENRIDGE, JUDGE

**STIPULATION**

The Church of Scientology of California, Mary Sue Hubbard, and Gerald Armstrong, by and through their undersigned counsel, hereby stipulate that in any retrial ordered by any appellate court in Church of Scientology of California v. Gerald Armstrong, LASC No. C 420153, the total damages awarded to the Plaintiff Church of Scientology of California and Plaintiff in Intervention Mary Sue Hubbard, combined for any and all causes of action, shall not exceed twenty five thousand and one dollars (\$25,001.00).

DATED:

12/10/86

  
 MICHAEL J. FLANN

Attorney for Defendant  
Gerald Armstrong

DATED:

Dec 10, 1986

  
 JOHN G. PETERSON

Attorney for Plaintiff  
Church of Scientology  
of California

DATED:

  
 MICHAEL LEE HERTZBERG

Attorney for Intervenor  
Mary Sue Hubbard



INDEMNITY AGREEMENT

The undersigned hereby agree to jointly indemnify MICHAEL J. FLYNN within the limitation described in the last paragraph hereof, in the event, and only in the event, all of the following conditions occur:

1. The case of Church of Scientology of California v. Armstrong, Los Angeles Superior Court No. 420153 and Court of Appeal No. B005912 the appeal of which is presently pending before the California Appellate Courts, Second District, is reversed and the damage cause of action therein is remanded for a retrial by said the Appellate Court; and

2. The Plaintiff therein, Church of Scientology of California, retries any part of said action, pursuant to that remand, wherein the Church of Scientology of California prays for damages; and

3. Judgment is entered pursuant to said retrial in favor of the Church of Scientology of California and against Gerald Armstrong; and

3. Gerald Armstrong pays any part or all of said judgment for damages; and

4. Michael J. Flynn reimburses Gerald Armstrong for any part or all of the monies paid to the Church of Scientology of California by Gerald Armstrong pursuant to the said judgment.

If all of the foregoing conditions occur the undersigned will indemnify Michael J. Flynn only for the sum of money he has reimbursed Gerald Armstrong. In no event will the undersigned

indemnify Michael J. Flynn for any sum greater than twenty-five thousand dollars.

*Earle C. Cooley*  
\_\_\_\_\_  
EARLE C. COOLEY

*Lawrence E. Heller*  
\_\_\_\_\_  
LAWRENCE E. HELLER